

Principles of Project Management

Module 2 Project Initiation



Project Initiation



- Phase in which the **project idea** is born and refined
- Project ideas can come from any level of the (company) hierarchy
 - “**top down**” - usually strategic projects
 - “**bottom up**” - often with tactical advantages
- Project ideas must be “**sold**”
 - usually through **RoI (Return on Investment)**
- Decision at management or **steering committee (SC)** level

Project Idea



- Often results from a (perceived) **problem**
 - the project will improve the existing situation
- Can be **reactive** or **proactive**
- Can have **internal** or **external** causes
- **Feasibility Study** [Machbarkeitsanalyse] may be required to evaluate project idea

Reactive Projects



- Initiated in **response to problem**
- Often / usually **urgent**
- Generally “fire fighting” in nature
- Invariably **poorly planned**
- Often **staffed** with inadequate / unqualified resources
- “Borrow” resources from other projects

Proactive Projects



- Initiated in **line with strategy**
- Generally **prioritised** - management / SC
- Project environment well understood
- Usually **well planned**
- **Staffed** with adequate, qualified resources
- Improved chances of successful completion - but still no guarantee!

Internal Projects



- The client [Auftraggeber] and the contractor [Auftragnehmer - hier: ausführende Stelle] belong to **the same firm**
- There is usually **no formal contract** between the parties
- The project work is carried out by **company employees**
- Recommendation: SLA (**Service Level Agreement**) should be used as contract

External Projects



- Client and contractor in **different firms**
- A **formal contract** exists between the parties and forms basis for project
- The project is preceded by **RFP/RFT**, **Proposal/Tender** and **Contract** phases
- Projects ends with **formal acceptance**
- The majority of project work is carried out by **contractor's employees**

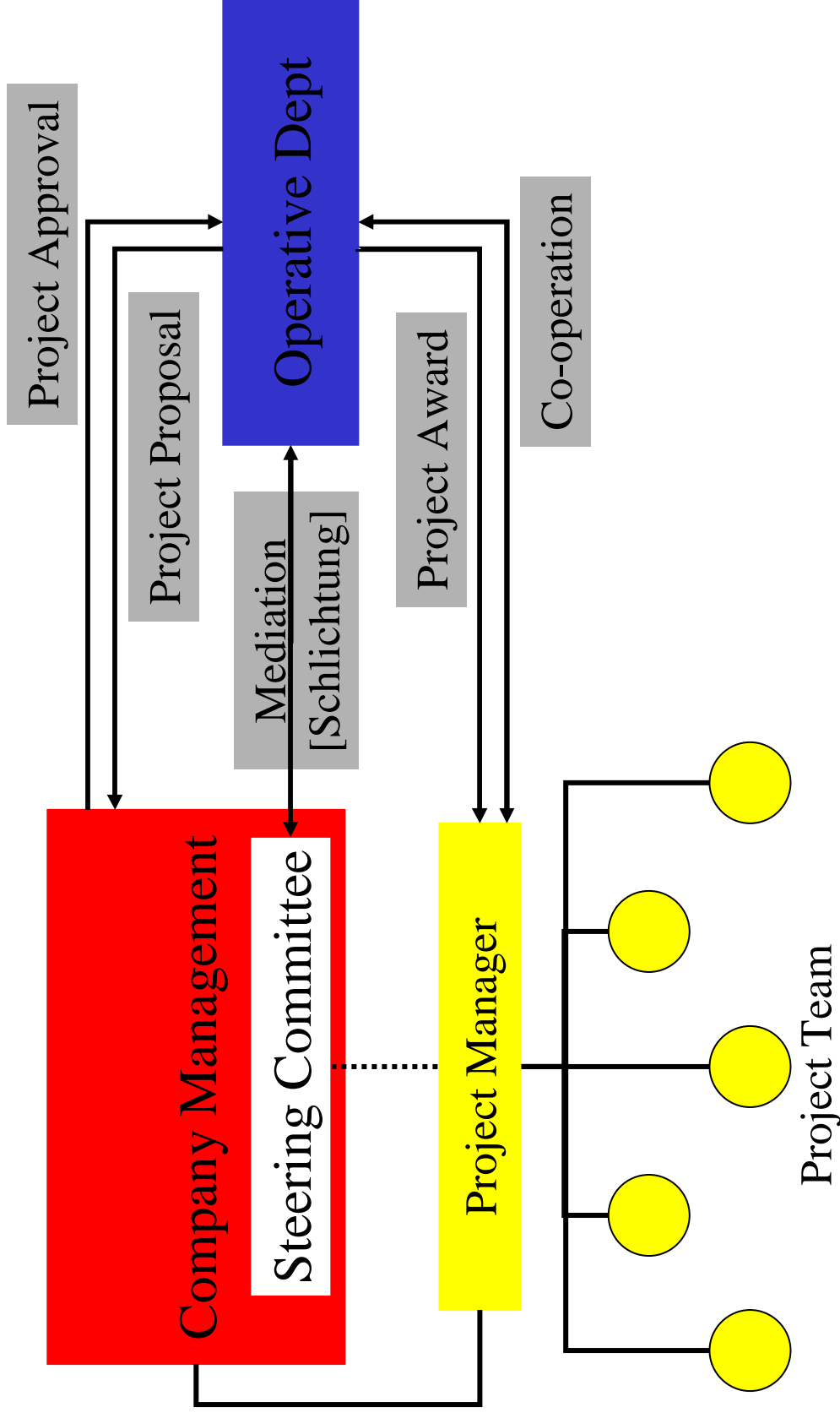
Terms




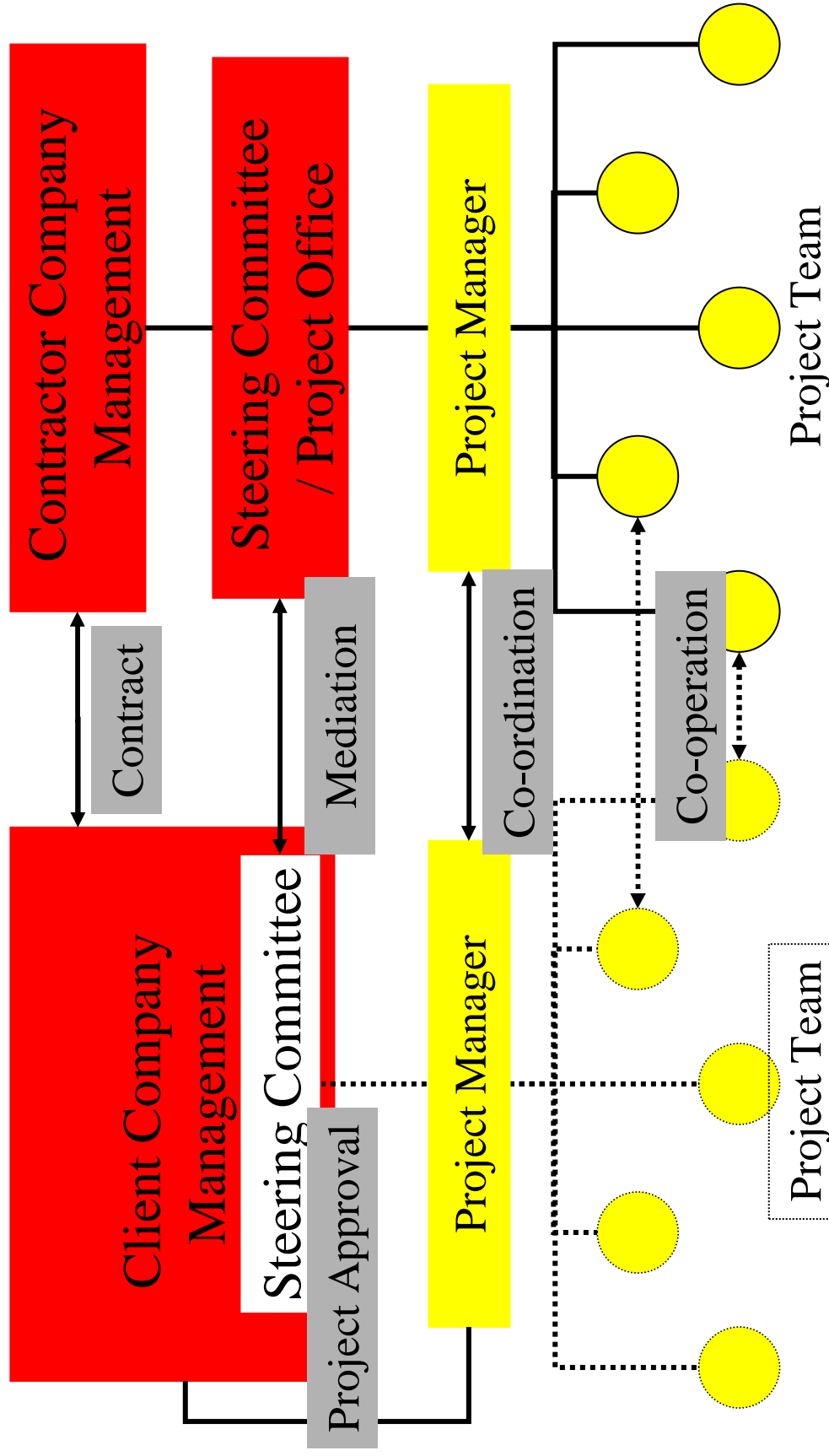
- RFP - Request for Proposal [Anfrage]
- RFT - Request for Tender
[Ausschreibung]
- Proposal [formloses Angebot]
- Tender [strukturiertes Angebot]
- Contract [Vertrag]



Internal Projects - Structure



External Projects - Structure



Project Proposal



- Project Idea defined in more detail
- Current Situation - reason **why**
- Goal(s) - primary goal as **metric for success**
- Interfaces - effected departments, projects
- Limits - excluded goals
- Sub-projects - including **individual metrics**
- **Effort** - resources and costs
- Dates - start, end, milestones, **dependencies**
- **Restrictions and Constraints**
- **Benefits and Risks** - including “do nothing”

Terms of Reference



- Complete, **detailed** description of project
- Includes project **approval**
- aka Project Specification [P-definition]
- Functions as a **contract** [Vertrag]
- Provides **organisational** framework
- Based on (approved) Project Proposal
- May be enhanced by Project Team

Contains Additional Detail



- Cost Estimates developed to **Budgets**
- Volume - linked to sub-projects, milestones
- Cash-Flow Plan
- Project Duration developed to **Time Line**
- Start, End Dates, Dependencies, Milestones
- Project Manager and Team
- Named and **available**
- **Roles** defined
- Information System, Reporting defined

Project Award (Contract)



- Client and contractor (Project Manager) agree project goals
- PjM ensures project goals are **properly defined**
 - **Managing expectations, Step 1**
- On agreement, project is awarded [Projektauftrag erteilt]
- Project Kick-Off Meeting



Kick-Off Meeting



- First meeting of project team
- “getting to know you” and organisational
 - 1st chance to set project culture
 - written invitation, agenda, minutes [Protokoll]
- Chaired by Project Manager
 - 1st chance to establish qualification, authority
 - views team members as equals

Kick-Off Agenda



Invitation to Project Meeting		Subject: Project Kick-Off		2206-Org-001
				1st May 200x
Project: Programm 2005		Subject		
Project-No: 2206				
Project Manager: Michael Müller				
Teilnehmer	Participants	Department	Telephone	
Michael Müller		Project Office	1234	
Horst Maier		Development	4711	
Helmut Bach		Production	4712	
Heike Graaf		Sales	4713	
Thomas Bock		Finance	4714	
Topic	Responsible	Time (Minutes)		
1. Welcome	Michael Müller	5	Time Management	
2. Introduction Project Manager	Michael Müller	10		
3. Project description and Goals	Michael Müller	10		
4. Introductions Team	Horst Maier, Helmut Bach, Heike Graaf, Thomas Bock	40		
5. Role Assignment	Michael Müller	5		
6. Definition of Project	Michael Müller	30		
7. Definition of Date	Michael Müller	10		
8. Any other business	Michael Müller	10		
Date and Time: 15th May, 14:00 - 16:00			Room 225	

Subject

Document Management

Time Management

Who?

What?

When? Start, End

Where?

Kick-Off Tagesordnung



Einladung zu Projektteam-Sitzung		Thema: Projekt Kick-Off		2206-Org-001
Projektbezeichnung: Programm 2005		Subject		
Projekt-Nr: 2206				
Projektleiter: Herr Müller				
Teilnehmer	Abteilung	Telefon		
Herr Müller	Projektbüro	1234		
Herr Maier	Entwicklung	4711		
Herr Bach	Produktion	4712		
Frau Graaf	Vertrieb	4713		
Herr Bock	Buchhaltung	4714		
Tagesordnung	Zuständig	Zeit (Minuten)		
1. Begrüßung	Müller	5		
2. Vorstellung Projektleiter	Müller	10		
3. Vorstellung	Müller	10		
4. Vorstellung	Maier, Bach, Graaf, Bock	40		
5. Rollenverteilung	Müller	5		
6. Erarbeitung der	Team	30		
7. Termin- und Vo	Team	10		
8. Sonstiges		10		
Zeit: 14:00 bis 16:00 Uhr	Ort: Raum 225	Datum: 15. Mai	120	

Document Management

Time Management

Subject

Who?

What?

When? Start, End

Where?



Project Roles - Client I



- Tasks
 - **supports** the PjM, but is not her boss
 - determines **budget** and allocates it
 - checks project status, milestones etc
 - (ensures availability of necessary resources)
- Responsibilities
 - provides **binding definition** of project goal(s)
 - **accepts** deliverables against goal(s)

Project Roles - Client II



- Authority
- Right of **veto** for all decisions relating to project **goals** and **budget**
- Requires status reports from PjM
- Demands detailed information from PjM in event of possible **delays** and **cost overruns**
- **Accepts** (or rejects) project deliverables
- **Discharges** PjM on project completion
- Decides if project is to be interrupted, postponed or cancelled

Project Roles - PJMI



- Tasks
- prepares project **infrastructure**
- plans use of **personnel** and supports them
- creates, updates project **plan** and **management** (iterative)
- **informs** client of risks and deviations from plan, as they arise
- conducts **reporting** for client and controlling
- manages Project Files, prepares Final Report

Project Roles - PJM II



- Responsibilities
- agreement with client wrt project **goals** and **content**
- **ensures goals are met**
- provides high quality **reports**, on time
- **hand-over** of project deliverables to client
- records project experience for future use

Project Roles - PJM III



- Authority
- invokes Steering Committee to **resolve disagreements** with client
- issues **directives** to team members
- **delegates** tasks, authority to team members
- provides **acceptance** for team deliverables
- independently manages the project **budget**
- manages **Change Control**
- **discharges** the team members on completion

Project Roles - Team I



- Tasks
 - **independently** conduct assigned tasks
 - keep detailed **records** of work done, decisions made
 - provide **status** reports - detailed, on-time
 - develop **appropriate solutions** to problems as they arise - often as team effort
 - **participate** in team meetings

Project Roles - Team II



- Responsibilities
 - **complete** Work Packages without errors, on time
 - **QM** of own deliverables
 - ensure that part-solutions are **compatible** with project solution
 - immediately **inform** PjM of risks, delays, cost overruns
 - **agree** holidays, time off, business trips with PjM in advance

Project Roles - Team III



- Authority
 - call meeting with PjM, at **short notice**
 - issue **directives** to team staff (as appropriate)



Rules of the Game I



Meeting Rules

- we meet every 2nd Tuesday @ 14:00
- we are punctual
- we participate regularly in meetings
- we **prepare** for meetings
- we end each meeting with agreed **deliverables**
- we keep **minutes** (in rotation)

Project Rules

- we **delegate** clearly defined tasks, with **metrics**
- we work constructively and with enthusiasm
- we report problems **immediately**
- we record status **regularly**
- we conduct our tasks **responsibly**

Rules of the Game II



Relationship Rules

- we discuss disagreements and conflicts **openly**
- we talk **with** each other and not about each other
- we listen to each other and don't interrupt
- we avoid monologues
- **we discuss (technical) problems objectively**

Contact Information



Colm Toolan, Business Architect

Isarweg 35

24146 Kiel

Colm(full stop)toolan(funny symbol)toolan(full stop)de

T: +49 431 7859 - 737 F: -738

M: +49 171 6450 998